



Monthly Financial Report - November 2018

FUND No.	FUND NAME	2017 ENDING FUND BALANCE	NOVEMBER 2018 BEGINNING FUND BALANCE	NOVEMBER 2018 REVENUES	NOVEMBER 2017 REVENUES	NOVEMBER 2018 EXPENSES	NOVEMBER 2017 EXPENSES	NOVEMBER 2018 ENDING FUND BALANCE	TARGET RESERVE
001	General Fund	\$ 15,215,654	\$ 18,271,172	\$ 1,407,035	\$ 1,355,632	\$ (946,644)	\$ (1,144,265)	\$ 18,731,563	\$ 5,272,000
101	Street Fund	\$ 852,718	\$ 565,746	\$ 231,086	\$ 164,768	\$ (544,607)	\$ (300,605)	\$ 252,225	N/A
103	REET Fund	\$ 56,801	\$ 1,215,536	\$ 162,106	\$ 318,147	\$ (459,191)	\$ (228,683)	\$ 918,451	N/A
104	Civic Impr. Fund	\$ 296,032	\$ 344,747	\$ 29,552	\$ 35,231	\$ (28,320)	\$ (18,983)	\$ 345,979	N/A
108	Affd. Housing Fund	\$ 159,176	\$ 259,176	\$ -	\$ -	\$ -	\$ -	\$ 259,176	N/A
301	Capital Const. Fund	\$ 4,361,129	\$ 4,622,943	\$ 414,248	\$ 130,258	\$ (511,508)	\$ (601,428)	\$ 4,525,683	N/A
401	Water Fund	\$ 7,324,500	\$ 7,482,345	\$ 158,049	\$ 112,183	\$ (79,339)	\$ (87,864)	\$ 7,561,054	\$ 341,074
402	Sewer Fund	\$ 6,687,583	\$ 6,176,124	\$ 315,197	\$ 223,357	\$ (616,192)	\$ (232,747)	\$ 5,875,129	\$ 2,351,822
403	Storm Water Fund	\$ 1,217,817	\$ 1,948,002	\$ 215,387	\$ 223,357	\$ (224,077)	\$ (104,081)	\$ 1,939,312	\$ 800,875
407	Building Svcs. Fund	\$ 324,723	\$ 320,385	\$ 199,712	\$ 185,561	\$ (199,622)	\$ (204,071)	\$ 320,475	N/A

NOTES:

The City has adopted reserve policies for the General Fund (Fund 001) and the Water, Sewer, and Storm and Surface Water Funds (Fund 401, Fund 402, Fund 403, respectively). The General Fund reserve amount was taken from the 2017-2018 Adopted Budget. Utility reserve targets were calculated based on the policies in Section 6 of Resolution No. 2016-19. Operating expenses used in the calculation were taken from the 2017-2018 Adopted Budget, and capital assets used in the calculation were taken from the 2017 CAFR.

Monthly revenue and expense amounts may include non-cash transactions.

REPORT DATE: 1/4/2019



MONTHLY FINANCIAL REPORT HIGHLIGHTS NOVEMBER 2018

- **GENERAL FUND EXPENSES:** Expenses in the General Fund were \$197,000, or 17%, lower in November 2018 compared to November 2017. Decreases included drops of \$100,000, or 90%, in repairs, \$12,000, or 43%, in supplies, and \$10,000, or 89%, in computer support maintenance expenses.
- **STREET FUND REVENUES & EXPENSES:** Revenue in the Street Fund was \$66,000, or 40%, higher in November 2018 compared to November 2017. Most of the difference resulted from an increase in the amount transferred in from other funds to maintain the Street Fund's minimum target fund balance. Excluding transfers in, the increase in revenue was only 3%.
Expenses in the Street Fund were \$244,000, or 81%, higher in November 2018 compared to November 2017. Contributing expenses included \$200,000 for asphalt and road striping repairs, and the purchase of two pickup trucks for \$39,000 in November 2018.
- **REET FUND REVENUES & EXPENSES:** REET revenue was \$156,000, or 49%, lower in November 2018 compared to November 2017 due to decreases in both transaction volume and average selling price, which dropped by 32% and 27% respectively. The selling price of the most expensive property in November 2017 was just under \$3 million, and 23 properties in the \$1-3 million range sold during that month. Only ten properties in the \$1-3 million range sold in November 2018, the majority of which were below \$2 million.
Expenses in the REET fund were \$230,000 higher in November 2018 compared to November 2017 due to oscillations in the necessity for the REET fund to make transfers to other funds to maintain their minimum target fund balances.
- **CIVIC IMPROVEMENT FUND REVENUES & EXPENSES:** Civic Improvement Fund revenue includes sales tax collected from hotel and motel services, which was \$5,000, or 16%, lower in November 2018 compared to November 2017.
Expenses in the Civic Improvement Fund were \$9,000, or 49%, higher in November 2018 compared to November 2017. Differences in the timing of invoices received and reimbursed by the City for LTAC-approved community services funding were the reason for the change.
- **CAPITAL CONSTRUCTION FUND REVENUES & EXPENSES:** Revenue in the Capital Construction Fund increased from \$130,000 in November 2017 to \$414,000 in November 2018. Variances in the quantity and timing of State and Federal grant funding caused the change.
Expenses in the Capital Construction Fund were \$89,000, or 15%, lower in November 2018 compared to November 2017 due to differences in the timing and magnitude of expenses for capital projects. Substantial expenses in November 2018 included \$20,000 for professional services and the payment of a \$447,000 construction invoice for the Miller to Fletcher Bay Core 40 project.

- **WATER FUND REVENUES:** Revenue in the Water Fund was \$45,000, or 41%, higher in November 2018 compared to November 2017 due to a \$44,000 increase in revenue from connection fees. Connection fee revenue depends on the permitting stage and number of construction projects taking place on the Island.
- **SEWER FUND REVENUES & EXPENSES:** Revenue in the Sewer Fund was \$91,000, or 41%, higher in November 2018 compared to November 2017 due to a \$51,000 increase in connection fee revenue. Like water connection fees, sewer connection fee revenue varies depending on development activity.

Expenses in the Sewer Fund were \$383,000 higher in November 2018 compared to November 2017. The timing of debt service payments, which were paid one month later in 2017, combined with the payment of a \$164,000 construction invoice for the Village pump station project composed the difference.

- **SSWM FUND EXPENSES:** Expenses in the SSWM Fund were \$119,000 higher in November 2018 compared to November 2017 due to an increase in capital construction spending. November 2018 capital construction expenses included the payment of a \$99,000 construction invoice for the Winslow Way Ravine outfall project.
- **BUILDING SERVICES FUND REVENUES:** Revenue in the B&DS Fund was \$14,000, or 8%, higher in November 2018 compared to November 2017. Excluding transfers in from the General Fund to maintain a minimum target fund balance, however, revenue in November 2018 was \$59,000, or 40%, lower. Contributing factors:
 - Revenue from plan checking fees was \$28,000, or 62%, lower in November 2018 compared to November 2017. Transaction volume and the average fee amount were respectively 17% and 62% lower in November 2018, indicating the specifics of the review process and dependent fee amounts had a stronger impact on revenue than volume did.
 - Revenue from other planning and development fees was \$15,000, or 85%, lower in November 2018 compared to November 2017. Transaction volume and the average fee amount in November 2018 were 79% and 85% lower, respectively, compared November 2017.
 - Zoning and subdivision fee revenue was \$12,000, or 39%, lower in November 2018 compared to November 2017. Processing of submissions handed in prior to the ongoing development moratorium still managed to generate \$20,000 of revenue in November 2018. Overall, year-to-date 2018 zoning and subdivision fee revenue was 51% lower compared to the same timeframe in 2017.

REVENUE TYPE	NOVEMBER 2017 TOTAL	NOVEMBER 2018 TOTAL	INCREASE (DECREASE)	% CHANGE
TRANSP IMPACT ADM FEE	286	510	223	78%
BUILDING PERMITS	31,430	42,014	10,585	34%
ZONING & SUBDIVISION FEES	32,805	20,111	-12,694	-39%
PLAN CHECKING FEES	45,479	17,426	-28,053	-62%
PLAN'G REVIEW OF BLDG PERMITS	13,901	4,753	-9,148	-66%
FIRE MARSHALL PLAN REVIEW	8,100	2,100	-6,000	-74%
OTHER PLANNING/DEVELOPMENT FEE	18,241	2,798	-15,442	-85%